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Item 135 of the preliminary list*
Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans, and, in its resolutions 58/1 B, 59/1 B, 60/237 and 61/237, it reaffirmed that endorsement. In that connection, the Committee recommended that the Secretary-General be requested to provide information on the submission of such plans to the Assembly, through the Committee on Contributions. It also recommended that the Secretary-General be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of the payment plans of Member States as at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted earlier by Georgia, Liberia, the Niger, Sao Tome and Principe and Tajikistan and on the status of implementation of those plans as at 31 December 2006.

The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.

* A/62/50.

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I. Introduction

1. In its resolution 56/243 A, the General Assembly, inter alia, recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter of the United Nations to pay their arrears, thereby facilitating the consideration of applications for exemption by the Committee on Contributions, and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans[1] at its sixty-second session in 2002,[2] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans, and recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan submit such plans to the Secretary-General for the information of other Member States and be encouraged to consult the Secretariat for advice in their preparation. In that context, it was suggested that the plans of Member States:

(a) Provide for annual payment of current-year assessments and a part of their arrears;

(b) Where possible, generally provide for the elimination of arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General be requested to provide information on the submission of payment plans to the General Assembly, through the Committee, and that the Secretary-General also be requested to submit an annual report to the Assembly, through the Committee, on the status of such plans as at 31 December each year.

5. The Committee also recommended that, for those Member States that are in a position to submit a payment plan, the Committee and the General Assembly take the submission of a plan and its status of implementation into account as one factor when they consider requests for exemption under Article 19 of the Charter.

6. In paragraph 1 of its resolution 57/4 B, the General Assembly endorsed the above conclusions and recommendations contained in the report of the Committee.[2] In its resolutions 58/1 B, 59/1 B, 60/237 and 61/237, the Assembly reaffirmed paragraph 1 of resolution 57/4 B. The first annual report of the Secretary-General on multi-year payment plans[3] was considered by the Assembly at its fifty-eighth

[1] A/57/65.

[2] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chap. IV.A, paras. 17-23.

[3] A/58/63.

session, the second annual report[4] at its fifty-ninth session, the third annual report[5] at its sixtieth session and the fourth annual report at its sixty-first session.[6]

II. Submission of multi-year payment plans

7. Subsequent to the issuance of the fourth annual report, Liberia submitted payment plans under cover of letters dated 19 August 2005 and 9 May 2006 addressed to the Chairman of the Committee on Contributions. Payment plans or schedules had been submitted earlier by Georgia in 2003 (its fourth), Iraq in 2005 (its first), the Niger in 2004 (its first), Moldova in 2001 (its third), Sao Tome and Principe in 2002 (its first) and Tajikistan in 2000 (its first).The most recent schedule proposed by the Government of Moldova, as outlined in the fourth annual report, was fully implemented in 2005. A lump-sum payment by Iraq in 2005 also resulted in full implementation of its plan in advance of the deadline dates specified in the fourth annual report.

8. In the announcement concerning the sixty-seventh session of the Committee on Contributions, to be included in the *Journal of the United Nations* from 19 March to 22 May 2007, the Secretariat has invited Member States considering the submission of a multi-year payment plan to contact the Secretariat for further information. In addition, in the note issued pursuant to paragraph 3 of General Assembly resolution 60/237 concerning the application of Article 19 of the Charter, attention was also drawn to the provisions of resolution 57/4 B. Should any other payment plans be submitted, related information will be provided in an addendum to the present report or in the report to be submitted to the Assembly at its sixty-second session.

9. The plans submitted by Georgia, the Niger, Sao Tome and Principe and Tajikistan had durations of 10, 9, 8 and 11 years, respectively. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits to their accounts arising during the period concerned. Related information is provided below.

Georgia

10. At the special session of the Committee on Contributions in 1999, the Government of Georgia indicated to the Committee that it intended to submit a schedule of future payments. It did so in 2000, at the sixtieth session of the Committee. At the sixty-first session of the Committee in 2001, the Government of Georgia submitted a revised schedule. Under cover of his letters of 4 May 2002 and 17 May 2003 addressed to the President of the General Assembly, the Minister for Foreign Affairs of Georgia submitted further revisions of the schedule. Those submissions are summarized in table 1 below.

[4] A/59/67.
[5] A/60/66.
[6] A/61/68.

Table 1

(United States dollars)

	Schedule proposed in			
	2000	*2001*	*2002*	*2003*
2000	180 000			
2001	707 104	801 300		
2002	707 104	711 549[a]	671 818	
2003	707 104	711 549[a]	1 260 272[a]	
2004	1 060 656	1 067 324[a]	1 260 272[a]	776 229
2005	1 060 656	1 067 324[a]	1 260 272[a]	776 229
2006	1 414 208	1 423 094[a]	1 260 272[a]	776 229
2007	1 414 208	1 423 094[a]	1 260 272[a]	776 229
2008				776 229
2009				776 229
2010				776 229
2011				776 229
2012				776 229
2013				776 229

[a] Plus contributions for the current year.

11. If fully implemented, the most recent schedule proposed by the Government of Georgia would involve payments totalling $7,762,290, which would reduce Georgia's outstanding assessed contributions at the end of 2013 to its total assessments for the period from 2007 to 2013 minus $413,307.

Liberia

12. In a letter dated 12 July 2005, the National Transitional Government of Liberia submitted a payment schedule by which it proposed to make a contribution in the amount of $50,000 every two months, beginning October 2005. In a letter dated 19 May 2006, the Government of Liberia submitted a revised payment plan taking into account the current level of national revenues and priorities. The new plan called for quarterly payments starting in June 2006. The payment schedules are reflected in table 2 below

Table 2

(United States dollars)

	Schedule proposed in	
	2005	*2006*
2005	100 000	—
2006	[a]	150 000
2007	[a]	[b]

[a] Payment of $50,000 every two months beginning in October 2005.
[b] Payment proposals to be submitted annually.

13. In the letter transmitting the payment plan of 19 May 2006, the Chargé d'affaires a.i. of the Permanent Mission of Liberia to the United Nations had indicated that the Permanent Mission would submit a revised payment plan for 2007 in January 2007. However, as at the date of the writing of the present report, the revised plan has not yet been submitted.

Niger

14. In a note verbale dated 22 March 2004, the Permanent Mission of the Niger to the United Nations submitted a proposed schedule for the payment of its assessed contributions. The schedule is summarized in table 3 below.

Table 3

	Payment (United States dollars)
2004	18 000
2005	40 000
2006	45 000
2007	50 000
2008	70 000
2009	98 000
2010	98 000
2011	98 000
2012	30 000

15. If fully implemented, the above schedule would involve payments totalling $547,000 over the period from 2004 to 2012. If that amount is received during the period from 2004 to 2012, it will reduce the Niger's outstanding assessed contributions at the end of 2012 to the total of its assessments during the period from 2007 to 2012 minus $74,815.

Sao Tome and Principe

16. Under cover of his letter of 17 May 2002 addressed to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the calendar of future payments shown in table 4 below.

Table 4

	Payment (United States dollars)
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

17. If fully implemented, the schedule proposed by the Government of Sao Tome and Principe would involve payments totalling $693,896. If that amount is received during the period from 2002 to 2009, it will reduce Sao Tome and Principe's outstanding assessed contributions at the end of 2009 to its total assessments during the period from 2007 to 2009 plus $5,546.

Tajikistan

18. In his letter of 15 September 2000 to the President of the General Assembly, the Prime Minister of Tajikistan indicated that his Government had paid $65,250.76 in 2000 and proposed a plan for the phased reduction of its arrears, which is summarized in table 5 below.

Table 5

	Payment (United States dollars)
2000	65 251
2001	67 822
2002	67 822
2003	67 822
2004	67 822
2005	67 822
2006	203 466
2007	203 466
2008	203 467
2009	203 467
2010	203 467

19. If fully implemented, the schedule proposed by the Government of Tajikistan would involve payments totalling $1,421,694. If that amount, which has already been exceeded, had been received during the period from 2000 to 2010, it would have reduced Tajikistan's outstanding assessed contributions at the end of 2010 to $1,220,269 plus its total assessments during the period 2007-2010.

Other Member States

20. As noted by the Committee in its report on its sixty-sixth session,[7] the Committee recalled that the Central African Republic had indicated in 2003 its plans to submit a schedule of payments of arrears at a later date. The Committee had also recalled that, in the context of its request for exemption under Article 19 of the Charter in 2004, the Central African Republic had indicated that its Finance and Budget Ministry was in the process of drawing up a long-term calendar of debt payments that it intended to announce very soon. No further information had been received since then, although, in the context of its request for exemption under Article 19 in 2006, the representative of the Central African Republic indicated that the issue of the payment of arrears to the United Nations was under consideration by his Government.

21. The Committee also recalled that, in the context of its request for exemption under Article 19 in 2004, Guinea-Bissau[8] had indicated that it would keep the issue of multi-year payment plans under continuous consideration and, as the country's situation normalized, would establish such a plan as a matter of priority. In the context of its request for exemption under Article 19 in 2005, Guinea-Bissau indicated that it would keep the issue of multi-year payment plans under continuous consideration and, as the country's situation normalized, would establish such a plan as a matter of priority and inform the General Assembly accordingly. In the context of its request for exemption under Article 19 in 2006, Guinea-Bissau indicated that, if its efforts at debt relief are successful and if a donor round-table conference is held as scheduled in November 2006, it would be in a position to submit a multi-year payment plan as previously envisaged. As at the date of the writing of the present report, no payment plan has yet been submitted.

22. No other Member States have so far submitted payment plans or schedules for the elimination of their arrears.

III. Status of payment plans of Member States as at 31 December 2006

23. The status of implementation of the most recent payment plans submitted by Georgia, Liberia, the Niger, Sao Tome and Principe and Tajikistan as at 31 December 2006 is summarized in table 6 below, in United States dollars. The plans proposed by Iraq and Moldova have been excluded, as those Member States had made the payments envisaged in their payment plans and no longer fell under the provisions of Article 19 of the Charter.

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[7] *Official Records of the General Assembly, Sixty-first Session, Supplement No. 11* (A/61/11), para. 70.

[8] Ibid., para. 71.

Table 6
Status of payment plans as at 31 December 2006
(United States dollars)

	Georgia				*Liberia*			
	Most recent plans	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				7 205 324				1 147 524
2000		116 120	184 443	7 188 001		31 506	70 192	1 108 838
2001		87 686	302 218	6 973 469		16 166	630	1 124 374
2002		114 552	70 298	7 019 723		17 137	5 465	1 136 046
2003		97 200	14 759	7 102 164		17 124	1 636	1 151 534
2004	776 229	79 750	899 929	6 281 985		20 932	2 899	1 169 567
2005	776 229	87 328	777 744	5 591 569		24 264	202	1 193 629
2006	776 229	79 741	792 473	4 878 837	150 000	23 024	100 453	1 116 200
2007	776 229							
2008	776 229							
2009	776 229							
2010	776 229							
2011	776 229							
2012	776 229							
2013	776 229							

	Niger				*Sao Tome and Principe*			
	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				334 149				570 783
2000		27 082	95	361 136		13 543	48	584 278
2001		14 483	318	375 301		14 254	157	598 375
2002		15 723	3 233	387 791	27 237	15 723	29 146	584 952
2003		17 124	950	403 965	42 237	17 124	929	601 147
2004	18 000	20 932	28 296	395 971	59 237	20 932	1 559	620 520
2005	40 000	24 264	41 436	378 799	74 237	24 264	202	644 582
2006	45 000	23 024	453	401 370	89 237	23 024	453	667 153
2007	50 000				114 237			
2008	70 000				134 237			
2009	98 000				153 752			
2010	98 000							
2011	98 000							
2012	30 000							
2013								

	Tajikistan			
	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				2 436 208
2000	65 251	63 507	205 389	2 294 326
2001	67 822	18 727	296 251	2 046 802
2002	67 822	22 205	306 961	1 765 046
2003	67 822	19 439	296 628	1 487 857
2004	67 822	26 183	400 955	1 113 085
2005	67 822	29 111	65 957	1 076 239
2006	203 466	26 583	107 184	995 638
2007	203 466			
2008	203 467			
2009	203 467			
2010	203 467			
2011				
2012				
2013				

24. The Government of Tajikistan has once again significantly exceeded the payments and credits for the period from 2000 to 2006 foreseen in its schedule. Payments and credits totalling $1,679,325 were applied during that period, compared with the anticipated payments totalling $607,827 for those years set out in its schedule. In fact, the payments and credits applied already exceed the total amount foreseen in Tajikistan's schedule. Were the Government of Tajikistan nevertheless to make the payments currently indicated in its schedule for the period from 2007 to 2010 (a total of $813,867), its outstanding assessed contributions at the end of 2010 would amount to $181,771 plus the amount of its assessments during the period from 2007 to 2010.

25. Payments by the Government of Sao Tome and Principe foreseen for the period from 2002 to 2006 in its schedule of payments ($292,185) significantly exceeded the amounts actually received and applied in those years ($32,289). As a result, were the Government of Sao Tome and Principe to make the payments currently indicated in its schedule for the period from 2007 to 2009 ($402,226), its outstanding assessed contributions at the end of 2009 would amount to its assessments during the period from 2007 to 2009 plus $264,927.

26. Payments and credits by Georgia applied to its outstanding assessed contributions in 2006 exceeded the amount foreseen in its payment plan. Were the Government of Georgia to make the payments currently indicated in its schedule for the period from 2007 to 2013 ($5,433,603), its outstanding assessed contributions at the end of 2013 would amount to its assessments for the period from 2007 to 2013 minus $554,766.

27. Payments and credits by the Niger fell short of the amount foreseen in its payment plan. Were the Government of the Niger to make the payments currently indicated in its schedule for the period from 2007 to 2012 ($444,000), its

outstanding assessed contributions at the end of 2012 would amount to its assessments for the period from 2007 to 2012 minus $42,630.

IV. Conclusions and recommendations

28. **The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.**